New England BUSINESS REVIEW

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Is There a "Prevailing Wage"?

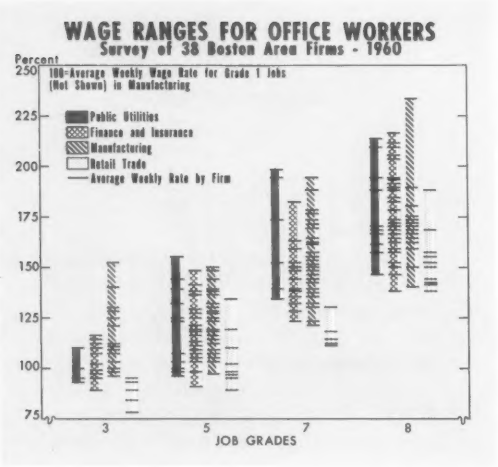
The "prevailing wage", the "going rate", or the "competitive wage" are terms often employed in discussions of employee compensation, but a recent survey of office workers in the Boston metropolitan area indicates these terms may have little meaning. Wide disparities exist in wage rates among workers performing similar jobs – disparities both between industries and within the same industry.

The chart on page 2 shows the range of wage rates for four different job grades. The wages shown are the average wage rate for each individual firm in each industry covered in the survey – manufacturing, retail trade, public utilities and finance and insurance. It can be seen that there are wide differences in wages for comparable work even in the same industry.

For instance, in job Grade 8 in manufacturing the firm paying the highest average weekly wage rate is 73 percent higher than the firm paying the lowest. This was the widest dispersion for any industry. The smallest difference was in Grade 3 jobs in retailing, but even here the difference is 22 percent between the firm paying the lowest and highest wages.

Despite the wide range of wages for each job grade, each industry revealed a rather orderly wage structure. The structures for the four industries studied are shown in the chart on page 3.

Also | **Looking Behind Bank Earnings,** ***page*** **5.**



The chart reveals an obvious similarity in three of the four industry wage curves. Retail trade has a smaller progression in rates from grade to grade than the progression in public utility, manufacturing and finance and insurance industries. The wage rates in retail trade were also lower than in the other three industries.

The extent of the wage differentials in similar jobs between industries seems rather wide. The industry with the highest wage for Grade 1 is 13 percent above the lowest industry wage for the grade, and the differential ranges upward to 47 percent at Grade 10. The differentials would be considerably reduced if retail trade were eliminated from the comparison.

There has been no indication of a tendency for the wage differentials to close over time either between or within industries. Comparisons of wages between 1958 and 1960 for four office jobs indicated that changes over the period were distributed randomly. The rank of firms according to their wage rates did not change substantially even though wide dispersions in increases were evident. In only two instances did the rank of a firm change more than two positions.

Increases in average wages among manufacturing firms ranged from about 4 percent to slightly less than 12 percent. In the finance and insurance group changes ranged from slightly less than 5 percent to about 10 percent. Wage differences between grades within a firm were changed little, i.e., firms tended to keep their same internal wage structure.

Wage Influences

It is frequently thought that the larger a firm is, the more likely it is to have a high wage structure. Comparison of size and wage structure levels of firms included in this study revealed no consistent relationship. Some of the firms studied are four or more times as large as others, both within and between industries, although all have more than 500 employees. In each industry category a ranking of firms according to clerical wage structure levels indicates that about as many of the largest firms have wages below the industry average as above it. Size of firm might have had a more noticeable influence, however, if this study had included some smaller firms.

Union organization is another factor often cited as being responsible for high wage structures. Results of this study show, however, that union pressures do not always bring high wages. Among the firms in the survey, retail trade had the lowest average wage, but all had some degree of unionization. Six of the 22 manufacturing firms in this study are nonunion and four of these have wage structures above the average for manufacturing; five of the six were above the average for all industries. Finance and insurance firms were uniformly nonunion, yet three of these had above-median wage levels.

It does not follow, of course, that unions have no impact on wages. Analysis of the firms in this study suggests that union bargaining does bring higher wages when the unionized firm is capable of passing along cost increases in the form of higher prices, when labor costs are a relatively small fraction of total costs, and when the unionized firm is relatively profitable. Furthermore, wage settlements in unionized firms may spread to nonunionized companies which wish to discourage unionization. At the same time, it is very clear that unions have much less impact in very competitive industries such as retail trade where slim profit margins may be eliminated as a result of higher wages.

Since all of the firms participating in the survey are in a single metropolitan area, wide differentials in wages are somewhat surprising. The question arises, why do workers not shift their employment to higher paying firms and eliminate the differentials?

First it must be established whether nonwage payments to employees make up the difference in wages. Nonwage costs to the employer are often termed "fringe benefits", and these have assumed increasing importance in recent years. A study by the United States Chamber of Commerce showed that fringe benefits for a sample of 102 companies increased from 15 percent of payroll in 1947 to 24 percent in 1957. These fringe benefits include such things as retirement plans, profit sharing, discounts on purchases, bonuses, hospital and medical care, vacations, sick leave, and other forms of company benefit plans which are not included in basic wage rates.

The evidence revealed during the study does not suggest that fringe benefits are used to sub-

Source of Data

The data for this article cover 6,700 office and clerical employees in metropolitan Boston and are drawn largely from a series of periodic wage surveys covering 33 relatively large firms. A unique characteristic of this survey is that job comparability studies are being made continuously. Furthermore, all the firms have formal job evaluation plans. It is the continuing effort of these firms to determine job comparability which makes the data from the program particularly useful for wage studies.

Measuring job comparability does not necessarily measure the comparability of workers. There is no evidence, however, that quality differences of workers account for more than a small percent of the wage differences existing among the firms. An attempt has been made in a separate study to measure the relationship of quality to wages among 20 of the firms, but the results were inconclusive.

The job comparability studies have made it possible to define clearly 33 key jobs for office workers alone which are nearly identical among most of the firms. The present study divides the 33 jobs into 10 job grades. The jobs within each grade are of roughly equal difficulty and responsibility. The grades were assigned numbers 1 through 10, with the lowest grade number 1. The grades contain varying numbers of jobs. Two grades, for instance, contain only one job classification each, while one grade has six of the classifications.

stitute for wages in attracting employees. In fact, higher fringe benefits tended to go along with higher wages for the firms in this study. It thus appears that fringe benefits are not offsetting lower wages.

On an industry basis, fringe benefits are most favorable to employees of the finance and insurance group, though public utilities follow closely. Data for retail trade firms were not available for comparison with the other industries, but interviews indicated that fringe benefits for the industry were somewhat less comprehensive than for the other groups in the study. Within each industry, there was a tendency for firms having the highest wage structures also to provide more fringe benefits.

Only for the finance and insurance group as a whole is there evidence that fringe benefits may partially offset a wage structure lower than in manufacturing or public utilities. Even in that industry the combination in some firms of higher-than-average wages and fringe benefits suggested that firms were not substituting nonwage benefits for wages to attract employees.

Comparisons of weekly wages would not be valid if hours worked were not comparable. There is some variation in weekly hours among the firms surveyed, but hardly enough to cause any significant influence on workers' job choices. Weekly hours vary between 35 and 40. Office staffs of about three-quarters of the manufacturing firms work 40 hours a week. Firms in the other industries average between 36¼ and 38¾ hours per week. One possible way to adjust for this difference would be to lower the wage line for manufacturing by 5 percent in the chart on this page.

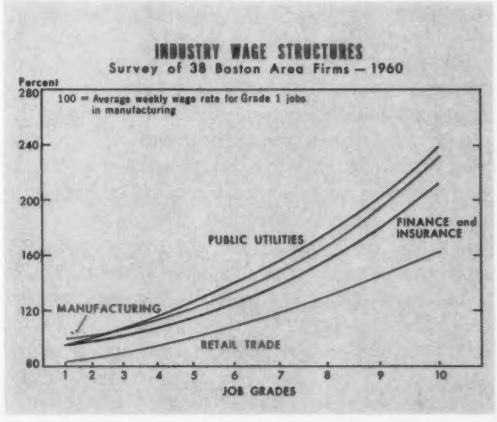
Interviews with the firms showed that they do not consciously use differences in weekly hours as a determinant in the establishment of wage structures for office workers. Some 100 office workers were interviewed, and it appeared that differences in the work day would have to exceed one-half hour to influence their job choice.

There was also little opportunity for variations in physical working conditions to offset the different wage structures. Working conditions, particularly for office workers, are reasonably comfortable, and firms surveyed provide better than average space, lighting, decor, sanitary facilities, lounges, and other perquisites.

The stability of employment associated with certain firms and industries is sometimes suggested as an explanation of the firms' ability to obtain labor at lower wages. Among the firms in this study, fluctuations in employment have not been important in the postwar period. Also, a large proportion of women and younger workers is likely to hold the office jobs compared in this study, and this group is less prone to consider long-term employment stability.

Differentials Appraised

It is likely that the significant wage structure differences observed in this study have persisted for some time. Though actual comparisons were possible only for the period 1958-1960, there was little apparent tendency for firms to change rank determined according to wage structure levels. The extent of differentials and their tendency to continue obviously support recognition of discretionary possibilities in wage determination. And, if substantial differentials exist among a



This article is based on a study, *An Analysis of Wage Structure Patterns in a Metropolitan Area*, by Richard A. Walker of the Federal Reserve Bank of Boston. Copies of the complete study are available from the bank's research department.

rather select sample, it may logically be expected that differentials would be more pronounced if all firms in the area were considered.

Results of the study indicate strongly that the expected response of workers to wage differentials is significantly restricted by a widespread lack of knowledge, differences in motivation and the simple inertia inherent in a heterogeneous labor force. In the sample case differences in nonwage factors commonly expected to affect the supply of labor to a firm are minimal, yet obvious wage structure differences exist and the various firms are able to attract sufficient workers for efficient operation. In fact, there seems to be far less difference in the difficulty of attracting and retaining qualified workers among sample firms than is suggested by wage differentials.

The significance of imperfect knowledge is illustrated by results of interviews with 100 clerical workers, about 10 percent of whom were unemployed. Those interviewed revealed no realistic degree of awareness of opportunities in other firms, nor more than vague knowledge of wage level differences. A minority were aware of recent general wage changes in some other firms in the area and tended to base their views of company wage positions on such knowledge.

Evidence is strong that a broad range of wage structures resulting from different management decisions or union-management negotiations does not seriously impair most firms' ability to attract qualified workers. The different decisions may not be unreasonable or inconsistent with competitive forces in the minds of employers and, over time, relative wage positions become accepted as indicative of differentials required to maintain the desired type and quantities of workers. There probably is a fair degree of rationalization inherent in these views on the part of employers and they are not immune from the effects of inertia either. The wage structure decisions of at least some of the firms with high capital investments per worker, lower ratios of labor costs to total costs, higher profit margins, greater production efficiencies, and high proportions of skilled labor are likely to result in higher than average wage structures covering all their employees. Simply the fact that higher wage structures are possible for such firms as compared to those constantly faced with the pressures of cutthroat price competition among product lines, the necessity for more intensive use of labor per dollar invested in other productive factors, lower efficiency, etc., particularly in the short run, increases the likelihood of persistent wage differential development.

Most firms seem to recognize the need for internal consistency in a firm's wage structure, i.e., a progression in rate ranges which is consistent with the differences in difficulty and degree of responsibility of the jobs. Comments of employees reveal strong indications that distorted internal wage structures are more likely to cause dissatisfaction and unrest among employees than are interfirm differentials. The degree of equity in wage and job relationships observed by employees is the principal means by which they judge the firm's wage structure. Apparently most employees are not inclined to consider distortions in the established wage and job relationships fair, regardless of the competitive pressures on wages for certain occupations. For example, a change in the established rate range or job rank of key-punch operators in a firm as a result of competition among firms for persons with that skill, but without some change in the ranges for other jobs, is likely to cause considerable resentment among employees.

Given this attitude of employees, employers are likely to pay close attention to intrafirm wage structures even if some jobs in the structure are not paid at rates which could be earned elsewhere. There is a tendency for the wage structure to be pegged on certain key jobs in the firm. Among manufacturing firms, for example, wage rate structures pivot around rates for production and technical workers because these constitute the largest single group of employees, and their skills are the most scarce and difficult to replace. Among industries where clerical forces constitute a small part of the work force (manufacturing as compared to insurance firms, for example) wages for the clerical group are established to provide a consistent relationship with production jobs even if clerical rates are out of line with those of other firms.

If the experience of a firm is considered reasonably satisfactory with respect to wage structure, it is not likely that the firm will be inclined to change its wage policies appreciably. It is only natural to expect that employers will place considerable reliance on satisfactory past experience as a good indicator of the relative wage structure necessary to acquire workers.

Maintenance of wage structure position, whether on an interindustry or intraindustry basis, seems to provide the most rational approach to wage structure determination for most firms. To deviate from this practice, particularly with respect to loss of position, involves risks difficult to assess. There is no way to test the consequences of assuming such risks without jeopardizing the supply of labor to the firm and the morale of current employees.

Looking Behind Bank Earnings

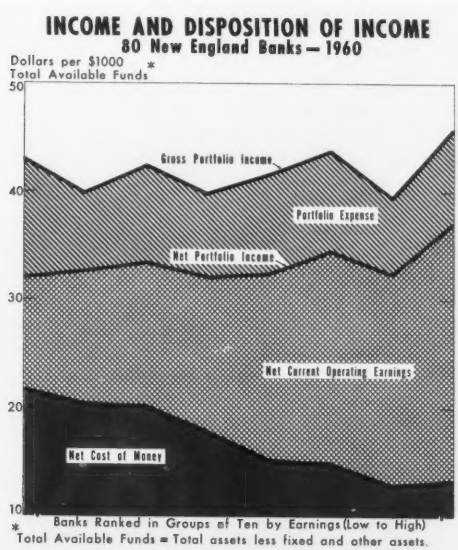
When the banker closes his books at the end of the year, two figures stand out in determining the rate of profit: what it costs to obtain and hold his deposits and what he earns in employing these deposits.

Which of these influences is more important? The experience of 80 banks included in a cost and profit study made by the Federal Reserve Bank of Boston suggests that the net costs associated with maintaining demand and time (including savings) deposits are the major influences on earnings. Further, the dominant influence on these expenses is the interest paid to savings depositors. The total interest payments of the bank are related to both the rate of interest paid and the proportion of time deposits to total deposits.

The 80 New England banks studied had deposits in the range of $3.5 million to $50 million. In the charts on these pages – 5 and 6 – the 80 banks are arrayed in order of 1960 net operating earnings after federal taxes. The lowest earning banks are on the left and range across to the highest earning banks on the right. Each point on each chart represents an average of 10 banks.

The measurement used relates earnings per $1,000 of "total available funds". These are the funds the bank has available for lending and investing, and they are derived largely from deposits. They are defined as total assets less fixed and other assets.

The lowest earning 10 banks averaged $5.97 in net earnings after federal taxes, and the highest 10 averaged $13.30 – both measured per $1,000 of total available funds. There was a difference of $7.33 from the low 10 to the high 10.



Perhaps some analysts would be inclined to relate the difference in earnings to such factors as size of bank, to the percentage of assets employed for earnings, or to variations in income from earning assets. Actually, the study of these banks suggests that none of these factors, separately or in total, accounts for the difference in earnings. Not only is the size of bank, as a single factor, not a major influence which can account for the variation in earnings, but contrary to usual expectations, the smaller banks in the size range of the study tended to outearn the larger banks per $1,000 of total available funds. Large and small banks were randomly scattered through both the high- and low-earning banks.

The higher-earning banks did not achieve their status by placing a disproportionately high percent of their assets in an earning capacity. Indeed, the highest-earning group of 10 banks had by a narrow margin the lowest percentage of invested assets of all banks. This higher-earning group of banks did, however, have a higher percentage of loans as opposed to investments in the total portfolio.

The heavy influence of expenses on earnings can be seen by observing the alternative influence, income from investments. If income were the chief determinant of earnings, it would be assumed that banks with higher net earnings also had the higher net income on loans and investments. But when banks are ranked on the basis of net operating earnings after federal taxes, adjacent banks in the ranking vary widely in income. High portfolio income gives no assurance of high earnings unless total expenses are held in line so as not to cancel out the high income.

When averaged in groups of 10 and plotted on the chart on this page, there was surprisingly little variation in gross portfolio income per $1,000 of total available funds, a range from $42.99 to $45.77 between the low-earning and the high-earning group of banks. Indeed, the lowest earning group of 10 banks had higher gross portfolio income than did the group of 10 banks with the second highest net current operating earnings.

When it is remembered that per $1,000 of total available funds the low-earning group of 10 banks had net current operating earnings after federal taxes of $5.97 compared with $13.30 for the highest earning group of 10 banks, it seems obvious that differences in portfolio income do not explain the wide variance in net operating earnings between the high- and low-earning

groups. Instead, the net cost of the time and demand deposit functions, i.e., the "cost of money", seems to be the major influence in determining the net earnings of commercial banks.

The foregoing generalization does not necessarily apply to all banks, but certainly it is suggested by the data supplied by the 80 banks in the study covering the income and expense relationships of 1960. Because the implications of this generalization are so important, it is unfortunate that its validity cannot be more broadly tested by data covering a larger number of banks and for a longer interval of years.

Higher net operating earnings were almost consistently associated with lower cost of money. This cost of money for the lowest-earning 10 banks was $21.75 per $1,000 of available funds; it was $13.29 for the highest-earning group of 10 banks or a difference of $8.46. Many other influences entered into earnings, some of which tended to cancel each other out, but this single factor of cost of money largely accounts for the $7.33 range in net earnings between the lowest and the highest earning group of 10 banks.

The Cost of Money

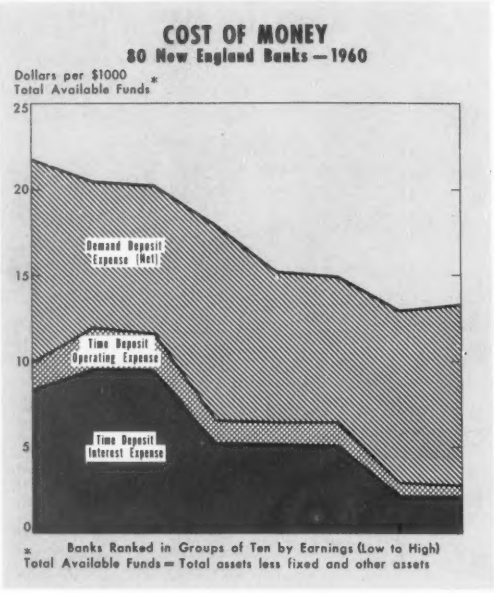
The chart on this page shows the components of the cost of money, i.e., the bank's costs associated with demand and time deposits. It is obvious from the segment showing cost of processing time deposits that, although the higher-earning banks tend to have lower costs in this function, the variation is not sufficient to explain the over-all difference in earnings.

A different story unfolds, however, when one examines the segment showing interest paid on time deposits. Clearly the low-earning banks (toward the left) have heavy interest payments on their time deposits. These banks tend to have both higher proportions in time deposits and to pay higher interest rates. The high-earning banks (toward the right) have consistently lower time deposit interest costs. The only exception is the highest-earning group of 10 banks, where the trend is reversed and where the cost of money increased slightly. This group retained its highest ranking because it offset its slightly increased cost of money by higher net portfolio income.

In general, it may be said that location exerts a significant influence on earnings because location determines the interest that must be paid on time deposits. If a bank is located in an area where interest rates on time deposits tend to be low and if it has a significant volume of such deposits, it has an advantage in its location. If the converse is true – savings deposit rates tend to be high – the bank labors under a handicap.

Commercial banks which wish to hold or expand an existing volume of time deposits find that their rates paid on such deposits are largely determined by competition. Most commercial banks which seek to hold their time deposits and which are members of the Federal Reserve System or of the Federal Deposit Insurance Corporation have already raised their rates to the maximum 3 percent permitted by the governing regulations. An amendment to Regulation Q effective January 1, 1962, permitting a 4 percent rate on deposits of one year or more will permit commercial banks to compete for savings more effectively but, at least in the early stages, at some cost in earnings. Those banks which raise their rates will do so because they believe that tight control of operating expenses and a recasting of their portfolio into higher earning but equally sound assets can largely offset the increased interest cost. This thesis is sound, but attainment is not easy. The 40 banks which had the highest time deposit interest expense included only 11 which had above-average net earnings. Of these 11 banks, only five were paying more than 2½ percent interest.

Despite the generally lesser earnings of banks which have large proportions of time deposits and pay competitive rates, there is nevertheless a logic back of the desire of bankers for acquiring more time deposits. Banking is an industry characterized (like chain stores) by low earnings per unit of "sales". Like chain stores, banking achieves its over-all earnings by high volume. That is why most banks aggressively seek new deposits so that they can build volume and have more dollars working for them.


COST OF MONEY
80 New England Banks — 1960
Dollars per $1000 Total Available Funds *
25
20
15
10
5
0
Demand Deposit Expense (Net)
Time Deposit Operating Expense
Time Deposit Interest Expense
* Banks Ranked in Groups of Ten by Earnings (Low to High)
Total Available Funds = Total assets less fixed and other assets

Earnings per $1,000 of time and demand deposits measure, by a common denominator, the relative operating earnings of each bank. It is only when earnings per $1,000 unit are multiplied by the number of units that over-all earnings are apparent. Moreover, operating earnings per $1,000 unit are not directly comparable to return on capital.

For the banks in this study, as the percentage of time deposits increased the percentage of capital to total liabilities declined. Thus the 40 banks with the lowest percentage of time deposits averaged 9.38 percent capital funds. The 40 banks with the highest percentage of time deposits averaged 8.59 percent capital funds. The significance of this is that although operating earnings were less on time deposits, these earnings were applied to a smaller capital base. This softened somewhat the impact of time deposit interest expense upon returns on capital.

This study regards the bank as a unit. It applies identical rates of return from loans and investments to both time and demand deposits. Were the procedures amended to allocate some of the higher-earning assets to the time deposit function, the position of time deposits would be made yet more favorable. Of course, any such gain for time deposits would be at the expense of demand deposits and would in no way alter over-all earnings.

Bankers who seek to develop more time deposits cite such reasons as these for justifying their position: time deposits help carry some of the overhead; the loanable funds arising from time deposits permit wider commercial bank service to the community development, particularly in the mortgage loan field; time deposit customers are apt to use other services; and, finally, granted that time deposits do earn at a lower rate than demand deposits, as long as they are a plus factor upon earnings they are desirable and should be sought after.

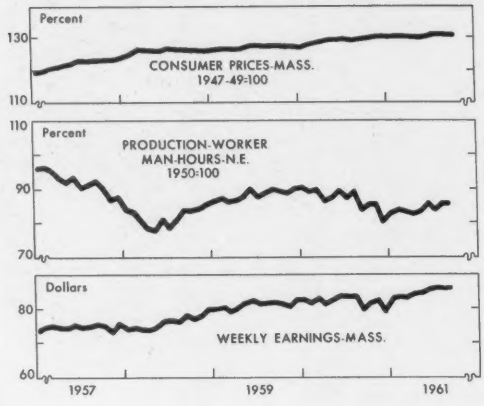
Competitive influences are dominant in determining the interest rates paid on time deposits and the interest charged on loans. Although management's role in those areas is subordinated to the influence of competition, management, nevertheless, has significant policy decisons to make in effecting internal efficiencies and in determining and developing the asset mix. Subsequent articles will refer to the demand deposit and the instalment loan functions which have significant effect upon over-all earnings and in which management can make its influence felt.

1960 NET EARNINGS
80 New England Banks

	Ranked in groups of 10 by Net Current Operating Earnings After Federal Taxes (Per $1,000 total available funds)								
	1	2	3	4	5	6	7	8	80-Bank Average
Gross Portfolio Income	$42.99	$39.84	$42.44	$39.82	$41.59	$43.83	$39.43	$45.77	$41.96
Less: Portfolio Expense	10.93	7.15	8.98	7.65	9.22	9.31	7.07	8.74	8.63
Net Portfolio Income	$32.06	$32.69	$33.46	$32.17	$32.37	$34.52	$32.36	$37.03	$33.33
Less Cost of Money:									
Gross Demand Deposit Expenses	$16.57	$13.78	$12.37	$16.66	$14.01	$13.46	$15.76	$18.05	$15.08
Less: Activity Charge Income	4.70	5.30	3.76	5.33	5.29	4.99	5.76	7.55	5.33
Net Demand Deposit Expenses	11.87	8.48	8.61	11.33	8.72	8.47	10.00	10.50	9.75
Time Deposit Operating Expenses	1.58	2.38	2.10	1.38	1.25	1.36	.73	.63	1.42
Time Deposit Interest Expenses	8.30	9.58	9.50	5.21	5.19	5.07	2.18	2.16	5.90
Net Cost of Money	$21.75	$20.44	$20.21	$17.92	$15.16	$14.90	$12.91	$13.29	$17.07
Earnings from Banking Operations	$10.31	$12.25	$13.25	$14.25	$17.21	$19.62	$19.45	$23.74	$16.26
Net Miscellaneous Dept's Earnings + or (—)	(.50)	(.41)	(.50)	(.31)	(.69)	(.58)	.26	(.20)	(.37)
Net Earnings Before Taxes	9.81	11.84	12.75	13.94	16.52	19.04	19.71	23.54	15.89
Less: Applicable Fed. Inc. Taxes	3.84	4.96	5.11	5.70	7.15	8.47	8.17	10.24	6.70
Net Earnings After Federal Taxes	$ 5.97	$ 6.88	$ 7.64	$ 8.24	$ 9.37	$10.57	$11.54	$13.30	$ 9.19
Miscellaneous Data as a Percent of Total Assets									
Total Portfolio	80.09%	82.72%	82.58%	79.28%	79.34%	81.69%	78.98%	78.91%	80.45%
Loans	50.13	45.00	51.66	44.67	45.92	47.70	45.57	51.22	47.73
Investments	29.96	37.73	30.92	34.61	33.43	33.99	33.41	27.69	32.72
Instalment Loans	15.43	12.53	11.49	10.59	12.04	16.19	9.06	17.63	13.12
Municipal Obligations	5.21%	5.48%	6.75%	7.05%	6.76%	5.89%	10.38%	8.16%	6.96%
Other Miscellaneous Data									
Deposit Size (millions)	$15.1	$17.6	$15.4	$13.8	$16.5	$17.3	$12.1	$ 9.6	$14.7
Time Deposits as a % of Total Deposits	36.57%	40.95%	41.11%	24.55%	28.27%	25.37%	15.75%	11.64%	28.03%
Capital as % of Total Assets	8.21%	8.61%	8.99%	7.83%	9.96%	8.81%	10.45%	10.64%	9.19%

SALES AND STOCKS

PRICES, MAN-HOURS, AND EARNINGS



MANUFACTURING INDEXES (seasonally adjusted)	MASSACHUSETTS (1950–52 = 100)			NEW ENGLAND (1950–52 = 100)			UNITED STATES (1957 = 100)		
	Oct. '61	Sept. '61	Oct. '60	Oct. '61	Sept. '61	Oct. '60	Oct. '61	Sept. '61	Oct. '60
All Manufacturing	117	118r	116	120	122	115	113	111	106
Primary Metals	109	111r	91	108	112r	89	96	99	78
Textiles	47	44	44	66	65	62	n.a.	117	104
Shoes and Leather	109	117r	115	121	123r	120	n.a.	n.a.	101
Paper	109	110r	103	124	123r	124	n.a.	123	112

	NEW ENGLAND	Percent Change from:		UNITED STATES	Percent Change from:	
	Oct. '61	Sept. '61	Oct. '60	Oct. '61	Sept. '61	Oct. '60
BANKING AND CREDIT						
Commercial and Industrial Loans ($ millions) (Weekly Reporting Member Banks)	1,474	− 2	+ 1	31,879	0	+ 1
Deposits ($ millions) (Weekly Reporting Member Banks)	4,797	+ 3	+ 7	120,309	+ 2	+ 9
Check Payments ($ millions) (Selected Cities)	10,175	+11	+13	275,115	+12	+18
Consumer Installment Credit Outstanding (index, seas. adj. 1950–52 = 100)	262.1	0	+1	286.8	+1	0
TRADE						
Department Store Sales (index, seas. adj. 1947–49 = 100)	143	+10	+11	151e	+ 1	+ 1
Department Store Stocks (index, seas. adj. 1947–49 = 100)	161	+1	+6	n.a.	n.a.	n.a.
EMPLOYMENT, PRICES, MAN-HOURS, & EARNINGS						
Nonagricultural Employment (thousands)	3,747	0	+ 1	55,260*	0	+ 1
Insured Unemployment (thousands) (excl. R. R. and temporary programs)	116	− 7	− 9	1,527	− 4	− 9
Consumer Prices (index, 1947–49 = 100)	130.5 (Mass.)	0	+ 1	128.4	+ 1	+ 1
Production-Worker Man-Hours (index, 1950 = 100)	86.1	0	+1	n.a.	n.a.	n.a.
Weekly Earnings in Manufacturing ($)	86.46 (Mass.)	+ 4	+ 6	94.71*	+ 2	+ 5
OTHER INDICATORS						
Construction Contract Awards ($ thous.) (3-mos. moving averages Aug., Sept., Oct.)						
Total	185,273	+ 3	+ 6	3,267,756	− 2	+ 1
Residential	75,142	+ 1	− 2	1,487,257	0	+ 9
Public Works	29,447	+ 4	+46	616,463	− 4	+ 8
Electrical Energy Production (index, seas. adj. 1947–49 = 100)	237	− 3	+ 9	297	− 1	+ 7
Business Failures (number)	46	+31	−22	1,446	+13	+ 8
New Business Incorporations (number)	891	+19	+12	15,524	+14	+13

r = revised
n.a. = not available

e = estimate
* new reporting series